Modernisation of Power Plants

*376. SHRI VEDPRAKASH P. GOYAL : Will the Minister OF POWER be pleased to state :

(a) whether it is fact that Government have created or are likely to create from 1-4-2000 a special fund for providing finances for a period of 5 years for modernising and renovating power plants across the country;

(b) what factors led the Central Government to create the special fund; and

(c) that details regarding the proposed utilisation of the funds ?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA) : (a) to (c) A scheme for creation of special fund for Accelerated Power Development Programme (APDP) has been initiated by the Planning Commission in order to give a fillip to the reforms process in the power sector. The scheme proposes to cover activities relating to renovation and modernisation (R&M)/Life Extension/upgrating of generating stations (both thermal and Hydel) and strengthening of sub-transmission and distribution system. The scheme will be made operational from the annual plan 2000-2001 and covers projects to be taken up from 1st April, 2000 onwards. An amount of Rs. 1000 crores has been allocated for the year 2000-2001 under the Ministry of Finance (Demand No. 30). The allocation of fund under the APDP scheme would be subject to the following conditions :—

(i) States must set up State Electricity Regulatory Commission (SERC) and make it operational as envisaged under the law.

(ii) States must unbundle and corporatise the State Electricity Boards. Where there is no State Electricity Board and the Electricity Department is presently looking after the State power sector, it must be corporatised into one or more companies in order to be run on commercial lines.

(iii) States should be appropriately divided into separate distribution zones with each zone as separate profit centre.

(iv) State Power Utilities must ensure 100% metering of all power consumption with complete audit and accountability by December, 2001.

The modalities for implementing the scheme and the manner of funding are being finalised by the Planning Commission.

In order to avail assistance under the scheme, the State Governments/ State Electricity Boards/State Utilities will have to formulate viable projects. A Committee constituted by the Planning Commission will monitor the implementation of the project.

Projects Assisted by REC

*377. SHRI PARMESHWAR KUMAR AGARWALLA : Will the Minister of POWER be pleased to state :

(a) whether Rural Electrification Corporation has sactioned grant for 79 projects in different states;

(b) if so, the number of projects assisted by REC as well as the achievements made so far; and

(c) what are the future plans of REC for achieving total electrification for rural areas ?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA) : (a) and (b) No, Sir. REC gives loans for various types of rural electrification schemes.

(c) Planning Commission fixes the financial outlays and physical targets for the States keeping in view the availability of financial resources and other relevant inputs. Further, the progress of rural electrification and the time frame to complete electrification of all the villages would depend upon the availability of financial resources for creating necessary infrastructure systems, availability of power in the States and the demand of the consumers. Rural Electrification Corporation (REC) provides interest bearing loan assistance to the scheme sponsored by the State Governments/State Electricity Boards (SEBs) provided they are technically feasible and financially viable. REC, upto 31st March, 2000 has sanctioned 36034 Rural Electrification Schemes covering various components of rural electrification for a loan outlay of Rs. 21076 crores against which Rs. 16010 crores (provisionally) has been disbursed. Under these schemes 3.04 lakh villages have been electrified and 75.85 lakh pumpsets have been energised (provisionally) as on 31-3-2000.